

HOUSE BILL No. 1444

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.1.

Synopsis: Tax abatement for confined feeding equipment. Establishes a property tax abatement for equipment at a confined feeding operation used for the anaerobic digestion of manure or the control of odors.

Effective: July 1, 2009.

Knollman

January 13, 2009, read first time and referred to Committee on Agriculture and Rural Development.

C
o
p
y



Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1444

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-12.1-1, AS AMENDED BY P.L.224-2007,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]: Sec. 1. For purposes of this chapter:

4 (1) "Economic revitalization area" means an area which is within
5 the corporate limits of a city, town, or county which has become
6 undesirable for, or impossible of, normal development and
7 occupancy because of a lack of development, cessation of growth,
8 deterioration of improvements or character of occupancy, age,
9 obsolescence, substandard buildings, or other factors which have
10 impaired values or prevent a normal development of property or
11 use of property. The term "economic revitalization area" also
12 includes:

13 (A) any area where a facility or a group of facilities that are
14 technologically, economically, or energy obsolete are located
15 and where the obsolescence may lead to a decline in
16 employment and tax revenues; and

17 (B) a residentially distressed area, except as otherwise



C
o
p
y

- 1 provided in this chapter.
- 2 (2) "City" means any city in this state, and "town" means any town
- 3 incorporated under IC 36-5-1.
- 4 (3) "New manufacturing equipment" means tangible personal
- 5 property that a deduction applicant:
- 6 (A) installs after February 28, 1983, and on or before the
- 7 approval deadline determined under section 9 of this chapter,
- 8 in an area that is declared an economic revitalization area after
- 9 February 28, 1983, in which a deduction for tangible personal
- 10 property is allowed;
- 11 (B) uses in the direct production, manufacture, fabrication,
- 12 assembly, extraction, mining, processing, refining, or finishing
- 13 of other tangible personal property, including but not limited
- 14 to use to dispose of solid waste or hazardous waste by
- 15 converting the solid waste or hazardous waste into energy or
- 16 other useful products;
- 17 (C) acquires for use as described in clause (B):
- 18 (i) in an arms length transaction from an entity that is not an
- 19 affiliate of the deduction applicant, if the tangible personal
- 20 property has been previously used in Indiana before the
- 21 installation described in clause (A); or
- 22 (ii) in any manner, if the tangible personal property has
- 23 never been previously used in Indiana before the installation
- 24 described in clause (A); and
- 25 (D) has never used for any purpose in Indiana before the
- 26 installation described in clause (A).
- 27 However, notwithstanding any other law, the term includes
- 28 tangible personal property that is used to dispose of solid waste or
- 29 hazardous waste by converting the solid waste or hazardous waste
- 30 into energy or other useful products and was installed after March
- 31 1, 1993, and before March 2, 1996, even if the property was
- 32 installed before the area where the property is located was
- 33 designated as an economic revitalization area or the statement of
- 34 benefits for the property was approved by the designating body.
- 35 (4) "Property" means a building or structure, but does not include
- 36 land.
- 37 (5) "Redevelopment" means the construction of new structures,
- 38 in economic revitalization areas, either:
- 39 (A) on unimproved real estate; or
- 40 (B) on real estate upon which a prior existing structure is
- 41 demolished to allow for a new construction.
- 42 (6) "Rehabilitation" means the remodeling, repair, or betterment

C
o
p
y



of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

(A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

(B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means:

(A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter;

(B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter; or

(C) the application filed in accordance with section 5.3 of this chapter by a property owner that desires to obtain the deduction provided by section 4.8 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) a deduction applicant installs after June 30, 2000, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;

(ii) research and development equipment;

(iii) computers and computer software;

(iv) telecommunications equipment; or

(v) testing equipment;

(C) the deduction applicant uses in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new

C
o
p
y



uses of existing products, or improving or testing existing products;

(D) the deduction applicant acquires for purposes described in this subdivision:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(E) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) a deduction applicant installs after June 30, 2004, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) racking equipment;

(ii) scanning or coding equipment;

(iii) separators;

(iv) conveyors;

(v) fork lifts or lifting equipment (including "walk behinds");

(vi) transitional moving equipment;

(vii) packaging equipment;

(viii) sorting and picking equipment; or

(ix) software for technology used in logistical distribution;

(C) the deduction applicant acquires for the storage or distribution of goods, services, or information:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); and

(ii) in any manner, if the tangible personal property has

C
o
p
y



never been previously used in Indiana before the installation described in clause (A); and

(D) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

(14) "New information technology equipment" means tangible personal property that:

(A) a deduction applicant installs after June 30, 2004, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of equipment, including software, used in the fields of:

- (i) information processing;
- (ii) office automation;
- (iii) telecommunication facilities and networks;
- (iv) informatics;
- (v) network administration;
- (vi) software development; and
- (vii) fiber optics;

(C) the deduction applicant acquires in an arms length transaction from an entity that is not an affiliate of the deduction applicant; and

(D) the deduction applicant never used for any purpose in Indiana before the installation described in clause (A).

(15) "Deduction applicant" means an owner of tangible personal property who makes a deduction application.

(16) "Affiliate" means an entity that effectively controls or is controlled by a deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholdings or other means.

(17) "Eligible vacant building" means a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

(18) "Confined feeding equipment" means equipment used for either of the following at a confined feeding operation (as defined in IC 13-11-2-40), including a concentrated animal feeding operation (as defined in IC 13-11-2-38.3):

C
o
p
y



(A) The biochemical decomposition of manure into methane gas and carbon dioxide by microorganisms in the absence of oxygen.

(B) The control of odors.

SECTION 2. IC 6-1.1-12.1-2, AS AMENDED BY P.L.146-2008, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A designating body may find that a particular area within its jurisdiction is an economic revitalization area. However, the deduction provided by this chapter for economic revitalization areas not within a city or town shall not be available to retail businesses.

(b) In a county containing a consolidated city or within a city or town, a designating body may find that a particular area within its jurisdiction is a residentially distressed area. Designation of an area as a residentially distressed area has the same effect as designating an area as an economic revitalization area, except that the amount of the deduction shall be calculated as specified in section 4.1 of this chapter and the deduction is allowed for not more than five (5) years. In order to declare a particular area a residentially distressed area, the designating body must follow the same procedure that is required to designate an area as an economic revitalization area and must make all the following additional findings or all the additional findings described in subsection (c):

(1) The area is comprised of parcels that are either unimproved or contain only one (1) or two (2) family dwellings or multifamily dwellings designed for up to four (4) families, including accessory buildings for those dwellings.

(2) Any dwellings in the area are not permanently occupied and are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) Parcels of property in the area:

(A) have been sold and not redeemed under IC 6-1.1-24 and IC 6-1.1-25; or

(B) are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a

C
o
p
y



1 residentially distressed area may make the following additional
 2 findings as an alternative to the additional findings described in
 3 subsection (b):

4 (1) A significant number of dwelling units within the area are not
 5 permanently occupied or a significant number of parcels in the
 6 area are vacant land.

7 (2) A significant number of dwelling units within the area are:

8 (A) the subject of an order issued under IC 36-7-9; or

9 (B) evidencing significant building deficiencies.

10 (3) The area has experienced a net loss in the number of dwelling
 11 units, as documented by census information, local building and
 12 demolition permits, or certificates of occupancy, or the area is
 13 owned by Indiana or the United States.

14 (4) The area (plus any areas previously designated under this
 15 subsection) will not exceed ten percent (10%) of the total area
 16 within the designating body's jurisdiction.

17 However, in a city in a county having a population of more than two
 18 hundred thousand (200,000) but less than three hundred thousand
 19 (300,000), the designating body is only required to make one (1) of the
 20 additional findings described in this subsection as an alternative to one
 21 (1) of the additional findings described in subsection (b).

22 (d) A designating body is required to attach the following conditions
 23 to the grant of a residentially distressed area designation:

24 (1) The deduction will not be allowed unless the dwelling is
 25 rehabilitated to meet local code standards for habitability.

26 (2) If a designation application is filed, the designating body may
 27 require that the redevelopment or rehabilitation be completed
 28 within a reasonable period of time.

29 (e) To make a designation described in subsection (a) or (b), the
 30 designating body shall use procedures prescribed in section 2.5 of this
 31 chapter.

32 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of
 33 this chapter are only available within an area which the designating
 34 body finds to be an economic revitalization area.

35 (g) The designating body may adopt a resolution establishing
 36 general standards to be used, along with the requirements set forth in
 37 the definition of economic revitalization area, by the designating body
 38 in finding an area to be an economic revitalization area. The standards
 39 must have a reasonable relationship to the development objectives of
 40 the area in which the designating body has jurisdiction. The following
 41 four (4) sets of standards may be established:

42 (1) One (1) relative to the deduction under section 3 of this

C
o
p
y



chapter for economic revitalization areas that are not residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(4) One (1) relative to the deduction allowed under section 4.8 of this chapter.

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to the deduction allowed under section 3 of this chapter, the deduction allowed under section 4.5 of this chapter, the deduction allowed under section 4.8 of this chapter, or any combination of these deductions;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~and~~ new information technology equipment, **and confined feeding equipment**, if a deduction under this chapter had not been filed before July 1, 1987, for that equipment;

(4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas on or after September 1, 1988;

(5) limit the dollar amount of the deduction that will be allowed under section 4.8 of this chapter with respect to the occupation of an eligible vacant building; or

(6) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing

C
o
p
y



equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment**.

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** installed on or before the approval deadline determined under section 9 of this chapter, but after the expiration of the economic revitalization area if:

(A) the economic revitalization area designation expires after December 30, 1995; and

(B) the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 4, 4.5, or 4.8 of this chapter.

(k) Notwithstanding any other provision of this chapter, deductions:

(1) that are authorized under section 3 of this chapter for property in an area designated as an urban development area before March 1, 1983, and that are based on an increase in assessed valuation resulting from redevelopment or rehabilitation that occurs before March 1, 1983; or

(2) that are authorized under section 4.5 of this chapter for new manufacturing equipment installed in an area designated as an urban development area before March 1, 1983;

apply according to the provisions of this chapter as they existed at the time that an application for the deduction was first made. No deduction that is based on the location of property or new manufacturing equipment in an urban development area is authorized under this chapter after February 28, 1983, unless the initial increase in assessed

C
o
p
y



value resulting from the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment occurred before March 1, 1983.

(l) In addition to the other requirements of this chapter, if property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a taxpayer's statement of benefits concerning that property may not be approved under this chapter unless a resolution approving the statement of benefits is adopted by the legislative body of the unit that approved the designation of the allocation area.

SECTION 3. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.146-2008, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment**;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment,

C
o
p
y



new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment.**

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** is reasonable for equipment of that type.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment;**

whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment.**

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding**

C
o
p
y



equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment.**

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(c) Except as provided in subsection (g), and subject to subsection (h) and section 15 of this chapter, an owner of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** whose statement of benefits is approved after June 30, 2000, is entitled to a deduction from the assessed value of that equipment for the number of years determined by the designating body under subsection (f). Except as provided in subsection (e) and in section 2(i)(3) of this chapter, and subject to subsection (h) and section 15 of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

- (1) the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** in the year of deduction under the appropriate table set forth in subsection (d); multiplied by
- (2) the percentage prescribed in the appropriate table set forth in subsection (d).

(d) The percentage to be used in calculating the deduction under subsection (c) is as follows:

(1) For deductions allowed over a one (1) year period:

YEAR OF DEDUCTION	PERCENTAGE
-------------------	------------

C
o
p
y



1	1st	100%
2	2nd and thereafter	0%
3	(2) For deductions allowed over a two (2) year period:	
4	YEAR OF DEDUCTION	PERCENTAGE
5	1st	100%
6	2nd	50%
7	3rd and thereafter	0%
8	(3) For deductions allowed over a three (3) year period:	
9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	66%
12	3rd	33%
13	4th and thereafter	0%
14	(4) For deductions allowed over a four (4) year period:	
15	YEAR OF DEDUCTION	PERCENTAGE
16	1st	100%
17	2nd	75%
18	3rd	50%
19	4th	25%
20	5th and thereafter	0%
21	(5) For deductions allowed over a five (5) year period:	
22	YEAR OF DEDUCTION	PERCENTAGE
23	1st	100%
24	2nd	80%
25	3rd	60%
26	4th	40%
27	5th	20%
28	6th and thereafter	0%
29	(6) For deductions allowed over a six (6) year period:	
30	YEAR OF DEDUCTION	PERCENTAGE
31	1st	100%
32	2nd	85%
33	3rd	66%
34	4th	50%
35	5th	34%
36	6th	25%
37	7th and thereafter	0%
38	(7) For deductions allowed over a seven (7) year period:	
39	YEAR OF DEDUCTION	PERCENTAGE
40	1st	100%
41	2nd	85%
42	3rd	71%

**c
o
p
y**



1	4th	57%
2	5th	43%
3	6th	29%
4	7th	14%
5	8th and thereafter	0%
6	(8) For deductions allowed over an eight (8) year period:	
7	YEAR OF DEDUCTION	PERCENTAGE
8	1st	100%
9	2nd	88%
10	3rd	75%
11	4th	63%
12	5th	50%
13	6th	38%
14	7th	25%
15	8th	13%
16	9th and thereafter	0%
17	(9) For deductions allowed over a nine (9) year period:	
18	YEAR OF DEDUCTION	PERCENTAGE
19	1st	100%
20	2nd	88%
21	3rd	77%
22	4th	66%
23	5th	55%
24	6th	44%
25	7th	33%
26	8th	22%
27	9th	11%
28	10th and thereafter	0%
29	(10) For deductions allowed over a ten (10) year period:	
30	YEAR OF DEDUCTION	PERCENTAGE
31	1st	100%
32	2nd	90%
33	3rd	80%
34	4th	70%
35	5th	60%
36	6th	50%
37	7th	40%
38	8th	30%
39	9th	20%
40	10th	10%
41	11th and thereafter	0%
42	(e) With respect to new manufacturing equipment and new research	

**c
o
p
y**



and development equipment installed before March 2, 2001, the deduction under this section is the amount that causes the net assessed value of the property after the application of the deduction under this section to equal the net assessed value after the application of the deduction under this section that results from computing:

(1) the deduction under this section as in effect on March 1, 2001; and

(2) the assessed value of the property under 50 IAC 4.2, as in effect on March 1, 2001, or, in the case of property subject to IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

(f) For an economic revitalization area designated before July 1, 2000, the designating body shall determine whether a property owner whose statement of benefits is approved after April 30, 1991, is entitled to a deduction for five (5) or ten (10) years. For an economic revitalization area designated after June 30, 2000, the designating body shall determine the number of years the deduction is allowed. However, **except as provided in subsection (i)**, the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(g) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a criminal violation under IC 13, including IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(h) For purposes of subsection (c), the assessed value of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** that is part of an owner's

C
o
p
y



assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

(i) For confined feeding equipment, a deduction may not be allowed under subsection (f) for more than five (5) years.

SECTION 4. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.146-2008, SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction schedule with the person's personal property return on a form prescribed by the department of local government finance with the township assessor of the township in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** is located, or with the county assessor if there is no township assessor for the township. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person files with:

(1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township or county assessor shall forward to the county auditor a copy of each certified deduction schedule filed under this subsection. The township assessor shall forward to the county assessor a copy of each certified deduction schedule filed with the township assessor

C
o
p
y



under this subsection.

(b) The deduction schedule required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment**.

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment**.

(3) The amount of the deduction claimed for the first year of the deduction.

(4) For a deduction for confined feeding equipment:

(A) a copy of the certification issued under subsection (j);
or

(B) a statement from the person filing the schedule that the equipment is considered certified under subsection (k).

(c) This subsection applies to a deduction schedule with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction schedule to the designating body, and the designating body shall adopt a resolution under section 4.5(f)(2) of this chapter.

(d) A deduction schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The township assessor, or the county assessor if there is no township assessor for the township, may:

(1) review the deduction schedule; and

(2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the township or county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the

C
o
p
y



deduction schedule or in the amount as altered by the township or county assessor. A township or county assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, **or new information technology equipment, or confined feeding equipment** changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
- (2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the township or county assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the township or county assessor not more than forty-five (45) days after the township or county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

(j) Except as provided in subsection (k), a person that files a certified deduction schedule under subsection (a) for a deduction for confined feeding equipment must file with the schedule proof of certification by the department of environmental management that the equipment for which the person claims the deduction is confined feeding equipment. The department of environmental management, upon application by a person, shall determine whether equipment qualifies as confined feeding equipment. If the department determines that the equipment qualifies as confined feeding equipment, the department shall certify the equipment and provide proof of the certification to the person. The department of environmental management shall prescribe the form and manner

C
o
p
y



1 of the certification process required by this subsection.

2 (k) If the department of environmental management receives an
3 application for certification before April 15 of the assessment year,
4 the department shall determine whether the equipment qualifies as
5 confined feeding equipment and provide proof of the certification
6 to the person before June 11 of the assessment year. If the
7 department fails to provide written notice to the applicant of the
8 department's determination under this subsection before June 11
9 of the assessment year, the equipment is considered certified.

10 SECTION 5. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.1-2006,
11 SECTION 134, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2009]: Sec. 5.6. (a) This subsection applies to
13 a property owner whose statement of benefits was approved under
14 section 4.5 of this chapter before July 1, 1991. In addition to the
15 requirements of section 5.4(b) of this chapter, a deduction schedule
16 filed under section 5.4 of this chapter must contain information
17 showing the extent to which there has been compliance with the
18 statement of benefits approved under section 4.5 of this chapter.
19 Failure to comply with a statement of benefits approved before July 1,
20 1991, may not be a basis for rejecting a deduction schedule.

21 (b) This subsection applies to a property owner whose statement of
22 benefits was approved under section 4.5 of this chapter after June 30,
23 1991. In addition to the requirements of section 5.4(b) of this chapter,
24 a property owner who files a deduction schedule under section 5.4 of
25 this chapter must provide the county auditor and the designating body
26 with information showing the extent to which there has been
27 compliance with the statement of benefits approved under section 4.5
28 of this chapter.

29 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
30 information is a public record if filed under this section:

31 (1) The name and address of the taxpayer.

32 (2) The location and description of the new manufacturing
33 equipment, new research and development equipment, new
34 logistical distribution equipment, ~~or~~ new information technology
35 equipment, **or confined feeding equipment** for which the
36 deduction was granted.

37 (3) Any information concerning the number of employees at the
38 facility where the new manufacturing equipment, new research
39 and development equipment, new logistical distribution
40 equipment, ~~or~~ new information technology equipment, **or**
41 **confined feeding equipment** is located, including estimated
42 totals that were provided as part of the statement of benefits.

C
o
p
y



(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, **or** new information technology equipment, **or confined feeding equipment**, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, **or** new information technology equipment, **or confined feeding equipment**.

(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, **or** new information technology equipment, **or confined feeding equipment**.

SECTION 6. IC 6-1.1-12.1-5.8, AS AMENDED BY P.L.146-2008, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, new research and development equipment, new logistical distribution equipment, **or** new information technology equipment, **or confined feeding equipment**, or developed or rehabilitated property at a cost of at least ten million dollars (\$10,000,000) as determined by the assessor of the township in which the property is located, or by the county assessor if there is no township assessor for the township.

SECTION 7. IC 6-1.1-12.1-8, AS AMENDED BY P.L.154-2006, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

C
o
p
y



JULY 1, 2009]: Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the deduction applications that were filed under this chapter during that year that resulted in deductions being applied under this chapter for that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and applied during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment** that were in effect under section 4.5 of this chapter during the year.

(4) The total amount of all deductions for eligible vacant buildings that were in effect under section 4.8 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2), (a)(3), and (a)(4) with the department of local government finance not later than December 31 of each year.

SECTION 8. IC 6-1.1-12.1-11.3, AS AMENDED BY P.L.154-2006, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11.3. (a) This section applies only to the following requirements:

(1) Failure to provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter.

(2) Failure to submit the completed statement of benefits form to the designating body before the:

(A) initiation of the redevelopment or rehabilitation;

(B) installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or confined feeding equipment**; or

C
o
p
y



(C) occupation of an eligible vacant building;
for which the person desires to claim a deduction under this
chapter.

(3) Failure to designate an area as an economic revitalization area
before the initiation of the:

(A) redevelopment;

(B) installation of new manufacturing equipment, new
research and development equipment, new logistical
distribution equipment, ~~or~~ new information technology
equipment, **or confined feeding equipment**;

(C) rehabilitation; or

(D) occupation of an eligible vacant building;
for which the person desires to claim a deduction under this
chapter.

(4) Failure to make the required findings of fact before
designating an area as an economic revitalization area or
authorizing a deduction for new manufacturing equipment, new
research and development equipment, new logistical distribution
equipment, ~~or~~ new information technology equipment, **or**
confined feeding equipment under section 2, 3, 4.5, or 4.8 of this
chapter.

(5) Failure to file a:

(A) timely; or

(B) complete;

deduction application under section 5, 5.3, or 5.4 of this chapter.

(b) This section does not grant a designating body the authority to
exempt a person from filing a statement of benefits or exempt a
designating body from making findings of fact.

(c) A designating body may by resolution waive noncompliance
described under subsection (a) under the terms and conditions specified
in the resolution. Before adopting a waiver under this subsection, the
designating body shall conduct a public hearing on the waiver.

SECTION 9. [EFFECTIVE JULY 1, 2009] **IC 6-1.1-12.1-1,**
IC 6-1.1-12.1-2, IC 6-1.1-12.1-4.5, IC 6-1.1-12.1-5.4,
IC 6-1.1-12.1-5.6, IC 6-1.1-12.1-5.8, IC 6-1.1-12.1-8, and
IC 6-1.1-12.1-11.3, all as amended by this act, apply only to
property taxes first due and payable after 2010.

C
o
p
y

